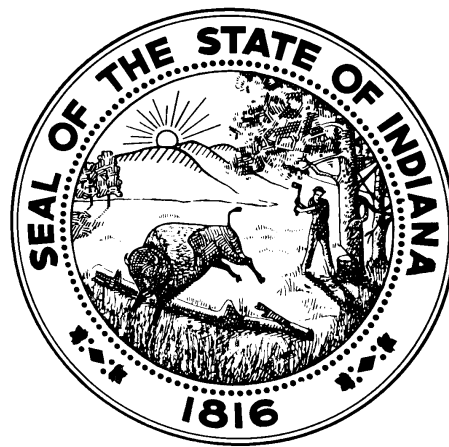


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF

DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
DELAWARE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
12/31/2008



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## OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Coordinator	Sheri Hole	01-01-06 to 12-31-08
Treasurer	Dennis Nixon Doug Scholer	01-01-06 to 12-31-07 01-01-08 to 12-31-08
President of the Board	Wayne Bothel	01-01-06 to 12-31-08



# STATE OF INDIANA

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Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT, DELAWARE COUNTY, INDIANA

We have examined the financial information presented herein of the Delaware County Soil and Water Conservation District (District), for the period of January 1, 2006 to December 31, 2007. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

November 12, 2008

DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
General	<u>\$ 30,390</u>	<u>\$ 146,871</u>	<u>\$ 113,694</u>	<u>\$ 63,567</u>
	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
General	<u>\$ 63,567</u>	<u>\$ 190,999</u>	<u>\$ 137,550</u>	<u>\$ 117,016</u>

The accompanying notes are an integral part of the financial information.

DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides soil and water conservation services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

DELAWARE COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 23,348</u>



DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
EXAMINATION RESULT AND COMMENT

SUPPORTING DOCUMENTATION

Payments were observed which were not supported by adequate documentation. Of the payments selected to test, 30% did not contain documentation such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

DELAWARE COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on November 12, 2008, with Sheri Hole, Coordinator; and Doug Scholer, Treasurer. The official response has been made a part of this report and may be found on page 9.



3641 N. Briarwood Lane  
Muncie, IN 47304

DELAWARE COUNTY  
soil and water conservation  
DISTRICT

(765) 747-5531  
Fax (765) 747-5511

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Serving Delaware County Since 1956

November 18, 2008

Marcia Holliges  
620 Browne Street  
Winchester, IN 47394

The Delaware County Soil & Water Conservation District wishes to file an official response to the results and comments in the form of a letter to be bound in the report.

Audit findings were that we need more documentation. It was recommended that we staple the documentation to the check stubs and to staple or put each month's accounts payables vouches and documentation in a 3-ring binder.

Since we are using Quick Books, I will not go back beyond the current month to make any changes, as that throws all the report off.

Also, we will not have the interest compounded in with our CD's; the interest will be rolled into our checking account.

The Audit came at the right time and was very helpful with good suggestions.

Thank you.

Delaware County Board of Supervisor's

*Sheri Hale*  
*Delaware County*  
*SWCD Coordinator*